



Application for
Offshore Registration Number

Please mark appropriate box. ☐ New application ☐ Renewal

Please print or type.

1. Owner name _____
2. Trade name _____
3. Mailing address of principal office _____

4. Location address of storage of tax-free property _____

5. Louisiana Sales Tax Account Number _____
6. Please provide a detailed description of all business activities. _____

7. Please provide a description of business conducted in the offshore area. _____

8. Is tangible personal property used or consumed in the offshore area beyond the territorial limits of Louisiana or any state on a regular basis during the normal course of business? ☐ Yes ☐ No
9. If yes, list the types of property normally used or consumed beyond the offshore boundary. _____

10. Are accounting records maintained that will accurately record and identify the actual location of ultimate use of all property that is to be purchased tax free under the provisions of Louisiana Revised Statute 47:305.10C(2)?
☐ Yes ☐ No
11. Briefly describe the accounting system used to control inventories. _____

12. Where are these records kept? _____

Signature of applicant

Type or print applicant's name

Title

()

Telephone

Mail to:
State of Louisiana
Department of Revenue
Sales Tax Division
P. O. Box 201
Baton Rouge, LA 70821-0201

Information for Application for Offshore Registration Number

Act 631 of the 1985 regular session of the legislature amended and reenacted Louisiana Revised Statute 47:305.10 to allow for tax-free purchases or importations of property for first use in the offshore area of Louisiana or any other state, even if the specific location of first use is not known at the time of purchase. Certain restrictions and requirements, however, are imposed on the purchaser or importer of such tax-free goods, under the provisions of the act.

The purchaser must first request and obtain from the Secretary of Revenue, an "Offshore Registration Number." The request must be made in writing on forms supplied by the Secretary and must provide all information required. If approved, the applicant will be issued a new sales tax registration certificate with the proper "offshore" designation thereon. Applicants who do not now have a sales tax registration certificate must also submit Form R-16019, (CR-1), Application for Louisiana Tax Number, along with the offshore number request.

The offshore registration number will only be issued to applicants who consume tangible personal property in the offshore area on a regular basis, and have a definite need for the privilege of purchasing tax free for offshore use.

The most rigid requirement for obtaining and keeping the "Offshore Registration Number" status is the record keeping requirement. Records must be maintained and kept to reflect accurately the location of ultimate use of property which is purchased tax free. They must be easily accessible and readily available for examination by the Department.

The exemption provided under the provisions of R.S. 47:305.10(C) applies only to tangible personal property purchased for use in the offshore area. It does not apply to purchases for which the location of use is known to be within the taxing jurisdiction of Louisiana or another state or country. Property purchased tax free under this exemption must be accounted for by separate inventory records to prevent the withdrawal of tax-free goods from the commingled inventory for use in taxable areas. Fungible goods, due to their "continuous consumption" nature, may be purchased tax free for use in both taxable and nontaxable locations. The proper accrual entries must then be made each reporting period to record the taxes due for the portion that is determined to have been consumed within the taxing jurisdiction of Louisiana or any other state. Purchases of tangible personal property for use offshore in specifically known locations must be made through the issuance of exemption certificate Form R-1096, (LGST-9D), Resale Certificate (Foreign Purchaser).

Withdrawals from the nontaxpaid offshore inventory that are destined to any of the following uses will be subject to taxation:

- (1) withdrawals for use within the territorial jurisdiction of either Louisiana, or any other state, or any foreign country.
- (2) withdrawals for resale, exchange, trade, or barter.

Tangible personal property purchased tax free under this Act may be stored indefinitely, until such time that it is needed at a particular location. Property may also be returned to the offshore inventory following use in the offshore area, provided that use does not occur within Louisiana or another state during its return to inventory. Property may also be returned to Louisiana or another state for repairs, modification or refabrication without incurring any use tax liability. The repair charges, however, will be subject to the sales tax.

An offshore registration number may be revoked by the Department for misuse, failure to retain adequate accounting records, or failure to accrue and remit the taxes that become due on taxable uses of withdrawn property. Upon such revocation, use tax will be immediately due on all property remaining in the offshore inventory in addition to any other tax deficiencies that an examination may reveal. It will then be the burden of the purchaser to prove to the satisfaction of the Department that the deficiencies which led to the misuse, lack of documents, or failure to remit, have been corrected and that the offshore registration number privilege should be restored.